

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

DOCKET NO. 2012-019 CAUSE NO. 259-02 – IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF KOCH EXPLORATION COMPANY, LLC FOR AN ORDER MODIFYING UTAH ADMIN. CODE R649-3-2, R649-3-10, AND R649-3-11(1) AND (2) TO PROVIDE FOR THE DRILLING OF WELLS TO ACHIEVE THE EQUIVALENT OF AN APPROXIMATE 10 ACRE WELL DENSITY PATTERN FOR THE PRODUCTION OF GAS AND ASSOCIATED OIL AND OTHER HYDROCARBONS FROM THE WASATCH FORMATION AND MESAVERDE GROUP UPON PORTIONS OF SECTIONS 28, 34, AND 35, AND SUSPENDING APPLICATION OF UTAH ADMIN. CODE R649-3-2, R649-3-10, AND R649-3-11(1) AND (2) INsofar AS THEY PERTAIN TO LANDS WITHIN THE NORTH ALGER FEDERAL EXPLORATORY UNIT COVERING SECTION 27 AND PORTIONS OF SECTIONS 33 AND 34, ALL LOCATED IN TOWNSHIP 10 SOUTH, RANGE 19 EAST, SLM, Uintah County, Utah.

NOTICE OF HEARING

Docket No. 2012-019
Cause No. 259-02

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining (“Board”), State of Utah, will conduct a hearing on WEDNESDAY, May 23, 2012, at 9:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq. and as provided for in Utah Code Ann. § 40-6-1 et seq. and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

1. Modifying Utah Admin. Code R649-3-2, R649-3-10, and R649-3-11(1) and (2) to allow the drilling of additional wells to achieve the equivalent of approximately 10 acre well density pattern for the production of gas and associated oil and hydrocarbons from the Wasatch Formation and Mesaverde Group, underlying Non-Unit lands ("Subject Lands") located in the W $\frac{1}{2}$, NE $\frac{1}{4}$, and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 28, the S $\frac{1}{2}$ SW $\frac{1}{4}$, and E $\frac{1}{2}$ of Section 34, and all of Section 35 in Township 10 South, Range 19 East, SLM, Uintah County, Utah, and to enable the drilling of multiple wells from a single pad; and
2. Suspending Utah Admin. Code R649-3-2, R649-3-10 and R649-3-11(1) and (2) as they pertain to the lands which are located within the North Alger Federal Exploratory Unit ("Subject Lands"), in all of Section 27, the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 28, the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 33, and the NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 34, in Township 10 South Range 29 East, SLM, Uintah County, Utah ; and
3. Provide that no future wells, including any portion of the wellbore of a directionally drilled well, shall be drilled closer than 460 feet to a lease or unit boundary on the Subject Lands without obtaining an exception location from DOGM pursuant to Utah Admin. Code R649-3-3; and
4. Providing such other relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than the 10th day of the month, or two weeks before the scheduled hearing, whichever is earlier. A party must file a timely written objection or other response in order to participate as a party at the Board hearing.


Natural persons may appear and represent themselves before the Board. All other representation by parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 26th day of April, 2012.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING
James T. Jensen, Chairman



/s/ Julie Ann Carter
Secretary to the Board
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116
(801) 538-5277

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2012-019, Cause No. 259-02 to be mailed with postage prepaid, this 26th day of April, 2012, to the following:

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CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2012-020, Cause No. 139-92 to be PUBLISHED in the following newspapers on the following days:

May 6, 2012:

The Salt Lake Tribune and Deseret Morning News, newspapers of general circulation in Salt Lake City and County.

May 1, 2012:

Uintah Basin Standard, a newspaper of general circulation in Duchesne and Uintah Counties.

May 2, 2012:

The Vernal Express, a newspaper of general circulation in Daggett and Uintah Counties.

